

SOMERVILLE AFFORDABLE HOUSING TRUST FUND

DRAFT Minutes of Meeting – November 3, 2005

**City of Somerville
First Floor Conference Room
City Hall Annex
50 Evergreen Avenue**

Present: Andrea Shapiro, Phil Ercolini, Beth Munroe-Howe, Mary Louise Daly, Danny LeBlanc, Donna Haynes, Dana LeWinter

The meeting began at 6:30 PM

1. Reading and Approval of October 18 Meeting Minutes: After a brief discussion, on a motion by Mary Louise, seconded by Beth, the Trust:

Voted (6-0, 3 absent): To approve the October 18, 2005 meeting minutes.

2. Reading and Approval of September, 2005 Financial Summaries: After a brief discussion, on a motion by Mary Louise, seconded by Danny, the Trust:

Voted (6-0): To approve the September, 2005 financial summaries.

3. Update on Trust Fund Status: Phil explained that there was some clarifying language suggested for the Home Rule legislation and that this language was reviewed and approved by Special Counsel Anne Thomas. The bill will likely go before the House for a full vote next week.

4. FY2006 Budget and Planning Discussion: Closing Cost Assistance Program: Dana distributed a fact sheet with issues for discussion. The Trust posed questions based on this sheet. Mary Louise would like to know how many people utilized or requested the down payment assistance program when it was operational. Andrea brought up the issue of whether this program would be limited to people earning between 80-110% of AMI. Danny suggested that a program like this might actually benefit people below 80% of AMI and that we are currently meeting our goal of targeting 10% of funds towards the 80-110% band of income. He also noted that households earning more than 95% of AMI might not be attracted to this program due to the terms. Andrea noted that if we make the program available to households below 80%, the terms should be more lenient, maybe making it forgivable by 25% per year. Phil brought up the issue of resale and the fact that these units will not be affordable after the forgivable loan period. Andrea pointed out that HOME funds are currently targeted to people below 80% so maybe we should focus on households between 80 and 110%. Phil asked Danny to have Kristin Blum look at their upcoming units for sale and determine how beneficial a forgivable loan of up to \$5000 would be to their potential buyers.

The discussion will be tabled for further discussion until the next meeting. Dana will send out the fact sheet to members not in attendance, Danny will speak with Kristin and have her run numbers on assistance usefulness and Andrea will look for model developed to determine affordability as well.

Housing Needs Study: Tabled

5. Unfinished business: None

6. New Business: Phil noted that Jack, due to budget cuts at CAAS, will be unable to attend meetings unless there is an emergency. The Trust does not see a problem with this, as no votes are imminent and would like to see how things go, given that CAAS may get budget increases soon.

Danny announced that SCC has been awarded the bid for the St. Polycarp's property. He noted that their initial plans include leasing the church building to a religious group, retaining the Just A Start House on the premises and preserving the Church and Rectory buildings. The new development may include a mix of residential and commercial as well as rental and ownership units.

Danny also announced the SCC Annual Dinner and Meeting and distributed save the date cards.

7. Adjournment: The meeting was adjourned at 7:20. The next meeting of the Trust will be held on Thursday, December 1 at 6:30 at the City Hall Annex.